

I have to intimate to you that the members of the Executive Council have resigned their seats in it; the Provincial Treasurer alone retaining his seat and office until the appointment of his successor.

It has not been thought advisable to propose many bills for your consideration, or attempt much legislation in the course of this session, seeing that the time of this Council is drawing to a close, and that a newly elected Provincial Council may be expected to meet here in little more than three months.

The disease among cattle has unhappily extended widely during the last four months, and has occasioned serious losses; and when the reports of the inspectors are laid before you, I trust the subject will receive your serious attention.

And now, Gentlemen, in declaring that this Council is open for the transaction of business, I have to express the hope that the result of your deliberations will restore confidence, and hasten the return of that commercial prosperity, of which we already can see indications.

18th July, 1864.

Enclosure 3 in No. 61.

REPLY TO THE ADDRESS OF HIS HONOR THE SUPERINTENDENT.

The Provincial Council has received your Honor's address with great interest, and desires to express its entire concurrence with the soundness of the advice which has induced your Honor to call it together, in order that it might arrive at a full and clear explanation of the financial position of the Province.

While desirous of expressing its sympathy with your Honour, in the present embarrassed position of the Province, it cannot but give utterance to its grave regret at the reckless expenditure on public works which has led to it, an expenditure incurred in the face of impending financial difficulties of no little moment; nor can the Council concur with your Honor, in the opinion that the General Government withholding its sanction to the two Loan Ordinances for £120,000 and £25,000, is the main cause of our present difficulties; inasmuch as had the Loans been sanctioned, they were, in the present state of the home money market, unnegotiable; but rather to the Government having entered into large contracts since the 30th September, 1863, at which time there was an unprovided overdraft for ordinary expenditure of over £47,000.

The Council fully concurs with your Honor, in the hope that the Oreti Railway will, in a short time, be open for traffic, for a considerable distance; and would earnestly recommend that the balance of the sum of £15,000 a month, granted by the General Government, be strictly appropriated to the carrying forward of the Northern Railway works.

The Council further begs to express its entire disapproval of the application to other objects of funds raised on the security of the loans for the construction of the Bluff Harbour and Oreti Railways; nor can it see how the sum of these loans can be expended on the construction of Railway works, as mentioned in your Honor's address, seeing that it has already been spent on other works.

The Council will give its earnest attention to the Resolutions, on the subject of obtaining the guarantee of the Colonial Government to such Provincial loans as may be necessary to cover existing liabilities; and, with this view, would respectfully suggest that a considerable portion of the Land Revenue be set aside, monthly, as a security for the General Government. But this Council is strongly of opinion, that in the present state of the finances of the various Provinces, and the money market at home, it would be extremely imprudent to entertain any idea of loans, further than to cover existing liabilities. The Provincial Council learns, with regret, that your Honor is again without an Executive Council, but trusts that your Honor will see the necessity of at once appointing such a Council from members who possess the confidence and support of the Provincial Council.

The Council much deplores the existence and spread of disease among cattle in the Province, but it is unaware of its having any power to legislate on the subject; and trusts that your Honor will, with the advice of an Executive Council, take such measures as will prevent further spread of the disease, in accordance with the power delegated to your Honor by the Governor.

Enclosure 4 in No. 61.

MESSAGE NO. 4.

To the Provincial Council of the Province of Southland.

The Superintendent has to acknowledge the receipt of the reply of the Provincial Council to his address when opening it for the transaction of business.

The second paragraph expresses a censure on the Executive Government, and an opinion on the cause of the financial embarrassment, which he cannot allow to pass without remark.

The Council expresses "its grave regret at the reckless expenditure" which has led to this embarrassment; it differs from his opinion of the main cause of this, attributing it "rather to the Government having entered into large contracts since September 30th, 1863, at which time there was an unprovided overdraft for ordinary expenditure of £47,000."

In the fifth session of the Council (October 1863) above £84,000 was voted for Roads and Public Works alone—works done chiefly by contract. Much of this sum, no doubt, was voted on account of